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C.M. (47)

30th Conclusions

**CABINET 30 (47)**

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*CONCLUSIONS of a Meeting of the Cabinet held at 10, Downing Street, S.W. 1, on Thursday, 20th March, 1947, at 11 a.m.*

**Present :**

The Right Hon. C. R. ATTLEE, M.P., Prime Minister (*in the Chair*).

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| The Right Hon. ARTHUR GREENWOOD, M.P., Lord Privy Seal.                          | The Right Hon. HUGH DALTON, M.P., Chancellor of the Exchequer.                                       |
| The Right Hon. Sir STAFFORD CRIPPS, K.C., M.P., President of the Board of Trade. | The Right Hon. A. V. ALEXANDER, M.P., Minister of Defence.   |
| The Right Hon. VISCOUNT JOWITT, Lord Chancellor.                                 | The Right Hon. J. CHUTER EDE, M.P., Secretary of State for the Home Department.                      |
| The Right Hon. VISCOUNT ADDISON, Secretary of State for Dominion Affairs.        | The Right Hon. LORD PETHICK-LAWRENCE, Secretary of State for India and Secretary of State for Burma. |
| The Right Hon. J. WESTWOOD, M.P., Secretary of State for Scotland.               | The Right Hon. A. CREECH JONES, M.P., Secretary of State for the Colonies.                           |
| The Right Hon. G. A. ISAACS, M.P., Minister of Labour and National Service.      | The Right Hon. E. SHINWELL, M.P., Minister of Fuel and Power.  |
| The Right Hon. T. WILLIAMS, M.P., Minister of Agriculture and Fisheries.         | The Right Hon. GEORGE TOMLINSON, M.P., Minister of Education.  |

The following were also present :

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| The Right Hon. VISCOUNT HALL, First Lord of the Admiralty ( <i>Items 1-2</i> ).                  | The Right Hon. F. J. BELLENGER, M.P., Secretary of State for War ( <i>Items 1-4</i> ).           |
| The Right Hon. P. J. NOEL-BAKER, M.P., Secretary of State for Air ( <i>Items 1-4</i> ).          | The Right Hon. JOHN WILMOT, M.P., Minister of Supply ( <i>Items 3-4</i> ).                       |
| The Right Hon. JOHN STRACHEY, M.P., Minister of Food.  | The Right Hon. HECTOR McNEIL, M.P., Minister of State.   |
| The Right Hon. WILLIAM WHITELEY, M.P., Parliamentary Secretary, Treasury ( <i>Items 3-4</i> ).   | Marshal of the Royal Air Force LORD TEDDER, Chief of the Air Staff ( <i>Items 1-2</i> ).         |
| Admiral Sir JOHN H. D. CUNNINGHAM, First Sea Lord and Chief of Naval Staff ( <i>Items 1-2</i> ). | Lieut.-General Sir Frank SIMPSON, Vice-Chief of the Imperial General Staff ( <i>Items 1-2</i> ). |

*Secretariat :*

Sir NORMAN BROOK.  
Mr. W. S. MURRIE.  
Mr. S. E. V. LUKE.

**CABINET 30 (47)**

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Palestine.  
Public Order.  
(Previous  
Reference:  
C.M. (47) 29th  
Conclusions,  
Minute 3.)

1. The Cabinet had before them a memorandum by the Secretary of State for the Colonies (C.P. (47) 95) on the state of public order in Palestine.

*The Secretary of State for the Colonies* said that on 2nd March martial law had been imposed in the Tel Aviv and Jerusalem areas. This had involved the withdrawal of all Government services from those areas; it had paralysed their economic life and caused large-scale unemployment; and no Government revenue had been collected. The police and military had been enabled to conduct a thorough search for known terrorists; and 60 arrests had been made. There had been an encouraging degree of co-operation from the Jewish community, though not from the Jewish representative bodies. After two weeks, the High Commissioner and the local military authorities had decided that martial law had reached the limit of its usefulness and it was withdrawn on 17th March. Some relaxation would in any event have been necessary in order to maintain the life of the country; but the Jewish community had been made to realise the consequences of their continued passive attitude towards terrorism. It had not been supposed that the imposition of martial law would in itself bring terrorism to an end, and some outrages, involving loss of life, had since occurred.

*The Secretary of State for War* said that the imposition of martial law had given the Army valuable freedom of action in their search for terrorists; 24 suspected terrorists had been arrested and the Jewish community had been shocked into giving some co-operation to the authorities.

*The Vice-Chief of the Imperial General Staff* added that martial law had enabled the Army to proceed with greater speed in the search for terrorists and to act on suspicion. The areas from which the terrorists operated were limited and could be cordoned off by a restricted application of martial law. The success of the action taken was indicated by the fact that a greater number of known terrorists had been arrested than ever before. But the intensive application of these measures involved the deployment of large numbers of troops and imposed a strain on local military resources which could not be maintained indefinitely.

Points made in discussion were:—

(a) It was the general view of the Cabinet that the results achieved by this imposition of martial law were disappointing. Some arrests had been made, but terrorism had not been brought to an end. Serious outrages had continued, both during the period of martial law and afterwards.

(b) The withdrawal of martial law after so short a period had given an impression of weakness and must have encouraged the Jewish community and the terrorists to think that they had successfully resisted it.

(c) The system of martial law which had been imposed seemed needlessly drastic; its effect had been as damaging to the Administration as to the Jewish community. But the remedy for this was not necessarily to withdraw martial law entirely; the difficulties might have been met by maintaining martial law but relaxing the restrictions imposed under it. Martial law could be the most flexible system of government.

The Cabinet next considered the policy to be pursued during the intervening period before the future of Palestine could be considered by the United Nations. Reference was made to the statement in C.P. (47) 95 that warning had been given to the Jewish community that the Government would not hesitate, if necessary, to reimpose martial law. Did this mean that it might be imposed on specified areas for a similarly limited period or applied in somewhat different form to the whole of Palestine?

*The Secretary of State for the Colonies* said that the objections to imposing martial law over the whole country arose partly from the heavy strain which this had been expected to impose on the

Army and partly from the danger of hostile Arab reactions. The decision to limit it to certain areas had been based on the consideration that these were the areas from which the terrorists operated. Searches by police and military would continue; and there was reason to suppose that the Jewish community would continue to co-operate to the same extent as in recent weeks. But, if terrorist outrages continued, martial law in some form would have to be reimposed.

The Cabinet considered that a more definite plan should have been made for handling the situation in Palestine during the next few months. The imposition of martial law in specified areas for limited periods and its subsequent withdrawal while terrorism continued would give an impression of weakness and might undermine the morale of the Army. The Chiefs of Staff should now consider the possibility of maintaining martial law over the whole country so long as terrorism continued, but applying under it restrictions of varying severity in different areas and at different times, as circumstances required. The High Commissioner and the General Officer Commanding should be summoned home for consultation on these matters.

The Cabinet—

- (1) Instructed the Chiefs of Staff to submit a report on the measures necessary for maintaining law and order in Palestine during the next six months, with special reference to the possibility of imposing martial law over the whole of the country.
- (2) Invited the Secretary of State for the Colonies and the Secretary of State for War to arrange for the High Commissioner for Palestine and the General Officer Commanding to return to this country for consultation in connexion with the preparation of this report.
- (3) Endorsed the view expressed in C.P. (47) 95 that for the present there should be no increase in the Jewish immigration quota, and no modification of the Land Transfers Regulations.

Illegal  
Immigration.  
(Previous  
Reference:  
C.M. (46) 107th  
Conclusions,  
Minute 7.)

*The First Sea Lord* informed the Cabinet that four escort vessels had been transferred from the Pacific to the Mediterranean in order to enable the preventive measures against illegal immigration to be strengthened without prejudice to the minesweeping programme. He also warned the Cabinet that ships carrying illegal immigrants were now being beached if they succeeded in eluding the Naval patrols; and that, in view of the overcrowding of these ships, this increased the risk of a major disaster involving heavy loss of life.

*The Secretary of State for War* said that arrangements were being made to provide accommodation in Cyprus for an additional 10,000 illegal immigrants. This might involve the provision of some building materials from the United Kingdom. The Cabinet considered that no building materials should be provided for this purpose which were not surplus to United Kingdom requirements. The additional numbers should, for the most part, be accommodated in tented camps.

Greece.  
Withdrawal of  
Military  
Mission.

2. *The Minister of State* informed the Cabinet that the Foreign Secretary had asked (Moscow telegram No. 176 of 18th March) for authority to accede to a request from the United States Secretary of State for the retention of the British Military Mission in Greece. The same request had been made through the United States Ambassador in London. Refusal might make it more difficult for the United States Administration to secure the agreement of Congress to their proposals for the grant of financial assistance to Greece.

The Cabinet were informed that the present strength of the Military Mission was about 300 officers and 1,200 other ranks. In addition there was a very small Naval Mission (which had existed

since 1908) and a Police Mission. There was no formal Air Mission, but a small detachment of the Royal Air Force was engaged in training the Greek Air Force, which was equipped solely with British aircraft.

Points made in discussion were :—

(a) The total annual charge on the United Kingdom Exchequer for these Missions was about £1 million. If the Military Mission was to remain, the Greek Government should defray the cost, if necessary with assistance from the United States Government.

(b) The Greek Army had been equipped entirely from this country, and its efficiency would be seriously prejudiced by the abrupt withdrawal of the Military Mission, whose primary duties were in connexion with training.

(c) The Greek Navy had been operating under the command of the Commander-in-Chief, Mediterranean, and had given useful service.

The Cabinet—

(1) Invited the Prime Minister to authorise the Foreign Secretary to inform the United States Secretary of State that His Majesty's Government were prepared to retain the British Military Mission in Greece for the time being; but that they could not continue to carry the whole of the cost, which should in their view be repaid by the Greek Government, with or without the assistance of the United States Government.

(2) Invited the Secretary of State for War to consider means of reducing the strength of the Military Mission in Greece.

(3) Took note that the Naval and Police Missions, and the detachment of the Royal Air Force would be retained in Greece on the existing basis.

3. The Cabinet were informed of the business to be taken in the House of Commons in the following week.

On 24th March, on the Second Reading of the Consolidated Fund Bill, there would be a debate on *Export and Import Trade*. The Second Reading of the *Army and Air Force (Annual) Bill* would also be taken.

On 25th March the remaining stages of the Consolidated Fund Bill would be taken formally; and a debate would be held on *Rural Housing*.

On 26th March the House would take the Committee and remaining stages of the *Army and Air Force (Annual) Bill* and the *Forestry Bill*.

On 27th March the Second Reading of the *Fire Service Bill* would be taken.

On 28th March there would be Second Reading debates on the *Treaties of Peace Bill* and the *Public Offices (Site) Bill*; and, if time allowed, the House would take the Committee and remaining stages of the *Naval Forces (Enforcement of Maintenance Liabilities) Bill* and the *Isle of Man Harbours Bill*.

4. The Cabinet considered a memorandum by the Lord Privy Seal (C.P. (47) 79) setting out a provisional plan for the preparation of legislation for the 1947-48 Session.

*The Lord Privy Seal* said that the Committee on Future Legislation had assumed that the new Session would begin in October, which would allow more time for legislation than in the current Session. Moreover, some saving of time might be secured by the modifications in Parliamentary procedure which it was intended to introduce in the new Session. On the other hand, it would be necessary to allow more time for general debates on such matters as the economic situation; the Committee Stages of four major Bills,

Parliament.  
Business in  
the House of  
Commons.

Parliament.  
Legislative  
Programme  
for the  
1947-48  
Session.  
Previous  
Reference:  
C.M. (46) 68th  
Conclusions,  
Minute 5.)

at least two of which would be controversial, would have to be taken on the Floor of the House; and the Government might have to make some concession on Private Members' time. The legislation introduced in the current Session had imposed a heavy strain on Ministers, officials and Members of Parliament; and it seemed clear that, when allowance was made for essential legislation which could not yet be foreseen, the provisional programme set out in paragraph 5 of C.P. (47) 79 was too heavy. There seemed, therefore, to be a good case for postponing as much legislation as possible until the last two Sessions of this Parliament. Meanwhile, it was important that work should proceed on the drafting of those Bills which would have to figure in the 1947-48 Programme in any event, and the Committee had therefore listed the Bills, in paragraph 5 of C.P. (47) 79, in the order in which they recommended that this work should be undertaken. The Committee were satisfied that it would be a mistake to attempt to pass in the 1947-48 Session both an Iron and Steel Industry Nationalisation Bill and a Gas Industry Nationalisation Bill; and they invited the Cabinet to decide which of these Bills should be included in the Programme.

*The Prime Minister* said that the provisional Programme in C.P. (47) 79 would impose too great a strain both on Ministers and on Parliament, and it would be essential to omit some of the Bills when the final Programme came to be drawn up. He did not think the Cabinet could at this stage decide which of the two proposed nationalisation Bills should be introduced during the 1947-48 Session.

The following points were made in further discussion :—

(a) The *Sea Fish Industry Bill* should be put first in order of priority in paragraph 5 (b) (i) of C.P. (47) 79, and the *Patents Bill* should be added to paragraph 5 (b) (ii).

(b) A *Women's Forces Bill* and a *Territorial and Reserve Forces Bill* would probably have to be added to the 1947-48 Programme.

(c) It was proposed to combine the *Electoral Reform Bill* with the *Redistribution Bill*.

(d) The Lord Chancellor and the Secretary of State for Dominion Affairs proposed to circulate to the Cabinet a memorandum on the question of House of Lords reform. Should it be decided to legislate on this subject, the necessary Bill would have to be passed during the 1947-48 Session.

The Cabinet—

- (1) Agreed that, subject to the points noted in paragraph (a) above, Parliamentary Counsel should, pending the formulation of a final Legislative Programme for the 1947-48 Session, proceed with the drafting of the Bills mentioned in paragraph 5 of C.P. (47) 79, in the order of priority in which the Bills were listed in that paragraph.
- (2) Invited the Legislation Committee to carry out a monthly review of the progress made with the preparation of legislation for the 1947-48 Session.
- (3) Agreed to defer for the present a decision on the question whether an Iron and Steel Industry Nationalisation Bill and a Gas Industry Nationalisation Bill should be included in the Legislative Programme for the 1947-48 Session.
- (4) Invited the Committee on Future Legislation to give further consideration to the legislation proposed in C.P. (47) 79, in the light of the Cabinet's views on the need for lightening the Legislative Programme for the 1947-48 Session.

Food.  
British Food  
Supplies.

(Previous  
Reference:  
C.M. (47)18th  
Conclusions,  
Minute 3.)

5. The Cabinet had before them a report by the Minister of Food (C.P. (47) 94) on the results of his visit to Canada and the United States.

Discussion turned mainly on the proposal that the sugar ration should be increased from 8 ozs. to 10 ozs. a week from 27th April.

*The Minister of Food* said that as a result of the agreement made between his Director of Sugar and the United States Administration we could rely on receiving at least 170,000 tons more sugar than we had received in 1946. It was reasonable, therefore, to assume that we should not need to make any further dollar purchases of sugar; for the supplies now secured would carry us over until 1949, by which time it should be possible for us to meet all our needs from Commonwealth sources. He understood that the Chancellor of the Exchequer was anxious that an increase in the sugar ration should not involve an increase in the total Exchequer subsidies on food-stuffs; and he was prepared to meet this point by making a corresponding increase in the price of some other food. The Minister said that he was most anxious to be able to make some improvement in the nation's diet at the present time, and he thought it specially appropriate that there should be an increase in the ration of an energy food like sugar. He had recently received a disturbing report showing, for the first time, a perceptible decline in the nutritional standards of the population. Whereas in 1944 the nation's diet had been sufficient to meet, on average, 100 per cent. of the physiological needs of the population, only 98 per cent. of these needs had been met in 1945, and in the last quarter of 1946 the figure had dropped to 93 per cent. Within this general average, particular classes of the population were faring much worse. Thus, it was estimated that the existing diet for adolescent boys met only 60 per cent. of their physiological needs. In these circumstances, the Minister hoped that the Cabinet would authorise him to announce at once that the sugar ration would be raised by 2 ozs. a week from 27th April.

*The Chancellor of the Exchequer* asked that the Cabinet should defer a decision until they had been able to consider other aspects of the import programme. He would shortly be submitting a memorandum on the import programme for the second half of 1947. This would show that the United States Loan was being exhausted at a very rapid rate, and the Cabinet would have some difficult decisions to take. It might be expedient that the additional sugar which had recently been bought in the United States should be held in stock for use in future months when our difficulties in importing food might be even greater than they were now. This proposal for an immediate increase in the sugar ration should not, in his view, be considered in isolation.

*The Minister of Food* pointed out that a change in the sugar ration could only be made at the beginning of a new rationing period, and must be announced some time in advance in order that the necessary administrative preparations might be made. Unless the Cabinet's decision were taken early in the following week, the change could not come into effect until 25th May.

Other points raised in discussion were as follows:—

(a) It was suggested that special efforts should be made to increase the production of sugar in British Guiana. The Cabinet were informed that all practicable steps were being taken for this purpose.

(b) Additional supplies of maize had been obtained from the Argentine and the United States, and it was therefore proposed to increase, from 1st May, the rations of animal feeding stuffs. The United States Secretary for Agriculture had already been asked whether this additional maize was to be used for human consumption; and it was suggested that, in order to forestall further comment, it would be expedient to mention, when the increase in the rations of animal feeding stuffs was announced, that no country in Europe could use any more maize for human consumption. *The Minister of Agriculture* undertook to do this.

(c) Special attention was drawn to the statement, in paragraph 7 of C.P. (47) 94, about the action of the Dutch Government in preventing British and American ships from moving food supplies from Indonesia. *The Prime Minister* said that he was going into this matter.

(d) Was there any prospect of increased supplies of linseed oil for industrial use?

*The Minister of Food* said that the allocations to industry could not be increased unless additional supplies could be obtained. There was some possibility that we might obtain more from the Argentine. There seemed little chance of any increased supply from India.

(e) *The Minister of Food* said that during his recent visit he had found the United States Administration more ready to recognise the food requirements of the United Kingdom; but the extent of the practical help which they could give was still limited by the prevailing world shortages of food.

*The Prime Minister* said that the new United States Ambassador was ready to give all the help that he could; and, as had been stated previously in the Cabinet's discussion on 2nd January (C.M. (47) 1st Conclusions, Minute 5), it was desirable that full use should in future be made of the United States Embassy in London as a channel for communication on questions of food supplies.

**The Cabinet—**

- (1) Took note of the report by the Minister of Food (C.P. (47) 94) on the results of his mission to Canada and the United States.
- (2) Invited the Minister of Food to circulate to the Cabinet the report, to which he had referred in the discussion, on the decline in the nutritional standards of the population, together with any comments which might be made on that report by the nutritional advisers of the Minister of Health, the Secretary of State for Scotland and the Minister of Education.
- (3) Invited the Chancellor of the Exchequer to submit a memorandum on those aspects of the import programme which he wished the Cabinet to take into account in reaching a decision on the proposed increase of the sugar ration.
- (4) Agreed that, in the light of the memoranda to be submitted in pursuance of Conclusions (2) and (3) above, they would resume at their meeting on 25th March their discussion of the proposal for an increase of the sugar ration.

**Statute of  
Westminster.  
Application to  
New Zealand.**

3. The Cabinet considered a memorandum by the Secretary of State for Dominion Affairs (C.P. (47) 91) reporting that the New Zealand Government might shortly wish to adopt Sections 2 to 6 of the Statute of Westminster, and that they were anxious that the United Kingdom Government should at the same time introduce legislation giving New Zealand full power to amend its own constitution.

**The Cabinet—**

Authorised the Secretary of State for Dominion Affairs to inform the New Zealand Government that they were at liberty to state, when introducing legislation adopting Sections 2 to 6 of the Statute of Westminster, that the United Kingdom Government would be prepared to introduce in the Parliament at Westminster legislation giving New Zealand full power to amend its own constitution.

*Cabinet Office, S.W. 1,  
20th March, 1947.*

